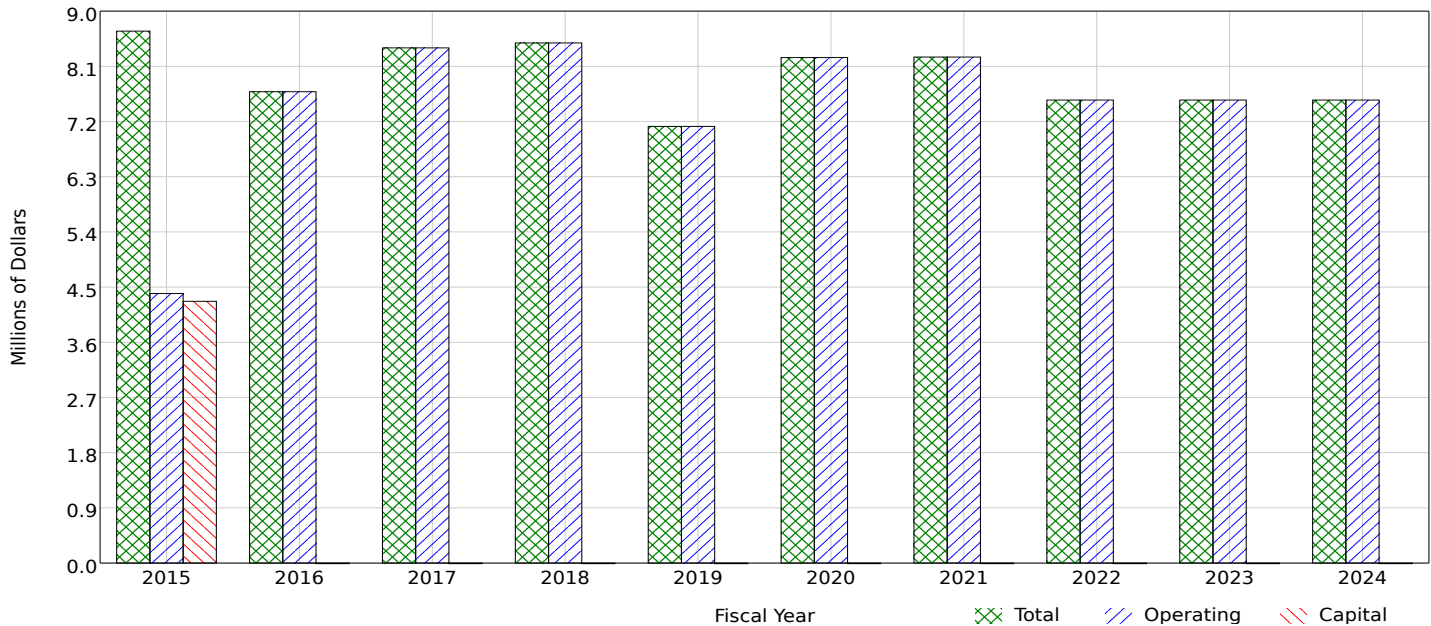


Fund Source Report

1201 CFEC Rcpts Commercial Fisheries Entry Commission Receipts

Year Authorized 2006 Year Repealed Active? Yes Mental Health? No Duplicated? No Fund Group Designated General

Operating and Capital Appropriations



Legal Authority

AS 16.43, AS 16.05.490, AS16.05.530, AS 37.05.146(c)(28)

Source of Revenue

Fees collected for the issuance and renewal of commercial fishing vessel licenses as outlined in statute under AS 16.05.530, plus landing, entry, and interim-use permits, including annual issuance and renewal fees, fines, and user fees as established by the Commercial Fisheries Entry Commission.

Restrictions on Use

Fees collected are program receipts to the CFEC and could not be used outside the CFEC if the receipts were classified as generic program receipts (code 1005). They are assigned a fund code so that the receipts can be appropriated to other programs.

AS 16.43.100(a)(18) includes in the duties and general powers, the authority for the commission to: "establish and collect annual fees for the issuance of landing permits that reasonably reflect the costs incurred in the administration and enforcement of pr

Description and History

In 1972 Alaska voters approved a constitutional amendment authorizing limitation of entry to commercial fisheries. In 1973 the legislature enacted the Limited Entry Act, thereby creating a system for limiting the number of participants in Alaska's Commercial Fisheries. In 1974 the Commercial Fisheries Entry Commission (CFEC) began the program. The purpose of the CFEC is to promote the conservation and sustained yield management of Alaska's fishery resource and the economic health and stability of commercial fishing in Alaska by regulating and controlling entry of participants and vessels into the commercial fisheries.

In the early years of the CFEC, general funds comprised nearly all of the Commission's budget. Beginning in FY89, CFEC fees were classified as program receipts, and then reclassified as Receipt Supported Services from FY01 through FY05. The RSS classification was based on AS 16.43.100(a)(18), which called for landing fees that reasonably reflect costs incurred.

A FY05 review of Fish & Game's budget revealed that CFEC collections were typically about twice the amount required to operate CFEC and that excess CFEC receipts were being used to operate other fisheries programs and to fund occasional capital projects. The result of the budget review was the creation of fund code 1201 in FY06, which provided a legal and transparent means of appropriating CFEC receipts to other commercial fisheries programs.

Despite classification as designated general funds, code 1201 has no statutorily designated uses beyond the administration of the commission. RSS

Fund Source Report

is an inappropriate classification because fee collections far exceed the cost of administering the limited entry programs. The assignment of a fund code to what would otherwise be classified as generic program receipts is simply a means to provide non-UGF funding for Fish & Game purposes other than the CFEC.